

Old DP&L steam plant could become office space

City, developer reach agreement on purchase of abandoned building

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A local developer proposes spending more than \$2 million to renovate the old Dayton Power & Light Co. steam plant on E. Third Street, turning it into office space.

The city on Wednesday approved a development agreement with St. Peter Partners LLC to buy and renovate the abandoned plant at 617 E. Third St., located across from the Cannery Lofts.

The city will provide a \$90,000 grant for site improvements, and St. Peter Partners will invest \$2.25 million and apply for state historic tax credits, according to city documents.

“We are really excited about the purchase of that property,” said Dayton Mayor Nan Whaley. “The developer plans on going for historic tax credits.”

The developer, who is listed as John Riazzi representing St. Peter, agrees to rehabilitate about 18,000 square feet of vacant space and then relocate its business and associated jobs to the property, according to the agreement.

Riazzi is the founder and principal of Riazzi Asset Management located at 2331 Far Hills Ave. in Oakwood.

The city owns the steam plant, which it purchased through the Montgomery County Land Bank after it went through the foreclosure process last year.

The deadline to apply for the fall round of historic tax credits is Sept. 30. The awards will be announced by the end of the year.

The DP&L steam plant was built in three stages in 1907, 1914 and 1948. It was used as a power-generating plant until the mid-1980s.

In 2005, a development group announced plans to turn the Lotz Paper Co. building at 607 E. Third St. and the adjacent DP&L steam plant into a blend of commercial and residential space called “the Merc.”

The project was awarded historic tax credits, but failed to move forward.

In 2009, one of the development partners died of a heart attack. The surviving partner said he could not obtain financing for the project.

The city took ownership of the property in October 2014. Earlier this year, the city spent about \$165,000 to demolish an addition to the plant because of structural issues.

The previous owner's salvage actions of scrap metal compromised the rear portion of the 1948 addition, city officials said.

The St. Peter project will accelerate the revitalization of that promising part of downtown, Whaley said.

"It's a building site that a lot of people ask about because it has such uniqueness and gives great frame to that area of town," she said.

The plant is located across the street from the Cannery Lofts, which offers 156 residential units.

New development in the neighborhood includes the Brownstones at 2nd, which are 24 townhomes being built two blocks away by Charlie Simms Development.